

BEFORE THE BOARD OF COMMISSIONERS
OF THE COUNTY OF LANCASTER, NEBRASKA

A RESOLUTION OF THE COUNTY OF)
LANCASTER, NEBRASKA APPROVING)
A SUBLEASE BETWEEN THE COUNTY) RESOLUTION NO. R-12-0071
AND THE CITY OF LINCOLN, NEBRASKA)
AND RELATED MATTERS.)

Section 1. The Board of Commissioners (the **"Board"**) of The County of Lancaster, Nebraska (the **"County"**) hereby finds and determines as follows:

(a) The County has determined that it is necessary, desirable, advisable and in the best interests of the County to acquire, install and implement new communication equipment and related software (the **"County Communication Equipment"**) for the use of the County to provide of the health, safety and welfare of the County's residents.

(b) The County has carefully considered the options available to it with respect to financing the acquisition, installation and implementation of the County Communication Equipment.

(c) In order to facilitate the foregoing and to pay the cost thereof, it is necessary and desirable for the County to enter into a Sublease Agreement, dated the date of its execution and delivery (the **"Sublease"**) with The City of Lincoln, Nebraska (the **"City"**), pursuant to which the County, as lessee, will lease the County Communication Equipment from the City, as lessor, with an option to purchase the City's interest in the County Communication Equipment, the proposed form of which is attached hereto.

Section 2. The Board **approves**, ratifies and confirms the execution and delivery by the Chair or Vice Chair (each an **"Authorized Officer"**) of the Sublease between the County and the City, in the substantially the form attached hereto, with such changes and modifications as an Authorized Officer shall deem necessary or appropriate, and the execution of such documents by such Authorized officer shall constitute conclusive evidence of their approval and the Board's approval thereof.

Section 3. The Board hereby approves, ratifies and confirms the execution and delivery by the Chair or Vice Chair (each an **"Authorized Officer"**) of the Sublease between the County and the City, in substantially the form attached hereto, with such changes and modifications as an Authorized Officer shall deem necessary or appropriate, and the execution of such documents by such Authorized officer shall constitute conclusive evidence of their approval and the Board's approval thereof.

Section 4. The officers of the Board and the Board are authorized and directed to take such further action and to execute and deliver such other documents, certificates and instruments and to pay all such fees, taxes and expenses as may in their discretion be necessary or desirable in order to carry out and comply with the intent of these resolutions and the terms and provisions of the Sublease; and all of the acts of the officers of the Board which are in conformity with the intent and purposes of these resolutions, whether heretofore or hereafter taken or done, shall be and the same are hereby in all respects ratified, confirmed and approved.


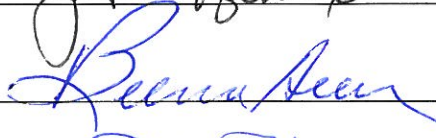


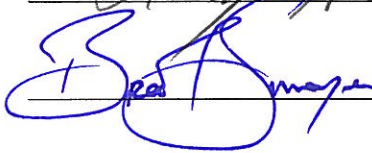
Section 5. All resolutions or orders or parts thereof in conflict with the provisions of this Resolution are to the extent of such conflict hereby repealed.

Section 6. This resolution shall take effect and be in force from and after its passage according to law.

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DATED: August 28, 2012

BY THE BOARD OF COMMISSIONERS OF
THE COUNTY OF LANCASTER, NEBRASKA

APPROVED AS TO FORM
this 28 day August, 2012


(Deputy) County Attorney

GILMORE & BELL, P.C.
DRAFT #2
AUGUST 17, 2012

SUBLEASE AGREEMENT

between

THE CITY OF LINCOLN, NEBRASKA,
Sublessor

and

THE COUNTY OF LANCASTER, NEBRASKA
Sublessee

Dated [Closing Date], 2012

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SUBLEASE AGREEMENT

This **SUBLEASE AGREEMENT** (the "**Sublease**"), dated [Closing Date], 2012, is entered into between **THE CITY OF LINCOLN, NEBRASKA**, a city of the primary class and political subdivision organized and existing under the laws of the State of Nebraska (the "**City**"), and **THE COUNTY OF LANCASTER, NEBRASKA**, county and political subdivision organized and existing under the laws of the State of Nebraska (the "**County**").

WITNESSETH:

WHEREAS, the City and Union Bank and Trust Company, a state banking corporation duly organized and validly existing under the laws of the State of Nebraska (the "**Trustee**"), have previously entered into (a) a Site Lease, dated November 18, 2010 (the "**Site Lease**"), pursuant to which the City has leased to the Trustee the Project Site described on **Schedule 1**, including any existing improvements thereon (the "**Project Site**"), and (b) a Lease Purchase Agreement, dated November 18, 2010 (the "**Original Lease**"); and

WHEREAS, the Trustee has executed and delivered a Declaration of Trust, dated November 18, 2010 (the "**Original Declaration**"), pursuant to which the Trustee has executed and delivered \$7,780,000 principal amount of Certificates of Participation (Series 2010B), dated November 18, 2010 (the "**Series 2010 Certificates**"), the proceeds of which were used to provide the funds to (a) pay the costs of (1) acquiring the Project Site together with all buildings and facilities located thereon, and (2) remodeling, renovating, equipping and furnishing such buildings and facilities, together with all replacements, repairs and additions incorporated therein or affixed thereto (collectively, the "**2010 Project**") and (b) pay certain costs connected to the execution and delivery of the Series 2010 Certificates; and

WHEREAS, the Trustee has leased the 2010 Project to the City pursuant to the Original Lease, all subject to the terms and conditions and for the purposes set forth in the Original Lease; and

WHEREAS, the Original Declaration of Trust provides for the issuance of Additional Certificates (as defined in the Original Declaration) for the purpose of providing funds to pay all or any part of the cost of (1) repairing, replacing or restoring the 2010 Project, (2) improving, upgrading or modifying the 2010 Project, (3) additional improvements to the 2010 Project or the acquisition of additional real property to be included in the 2010 Project or the acquisition, purchase, construction or equipping of additions to or expansions of or remodeling or modification of the 2010 Project, and (4) refunding any or all of the Certificates; and

WHEREAS, it is necessary, desirable, advisable and in the best interest of the City that the Trustee execute and deliver a First Declaration of Trust Supplement (the "**First Supplemental Declaration**") for the purpose of providing for the issuance of Additional Certificates, the proceeds of which will be used to provide additional funds to (a) pay the costs of (1) acquiring and installing new street light poles and related equipment (collectively, the "**Street Lights**") to adequately light certain of the City's streets, (2) acquiring, installing and implementing new electronic communication equipment and related software (collectively, the "**Communication Equipment**") to be used by the City and the County, and (3) remodeling, renovating, equipping and furnishing additional portions of the 2010 Project (collectively, the "**2012 Project**") and (b) pay certain costs connected to the execution and delivery of the Certificates; and

WHEREAS, the Trustee desires to lease the 2010 Project and the 2012 Project (together with any improvements for which Additional Certificate may be issued under the Original Declaration, the **“Project”**) to the City, all subject to the terms and conditions and for the purposes set forth in the Original Lease and in this First Supplemental Lease (as the same may be amended and supplemented from time to time, the **“Lease”**); and

WHEREAS, the County has requested that the City acquire that portion of the Communications Equipment set forth on **Schedule 2** (the **“County Communications Equipment”**) for the use of the County, the City has agreed to such request, and the County and the City desire to set forth the terms and conditions upon which the County will lease the County Communications Equipment from the City and will acquire the County Communications Equipment upon the payment of the Basic Rent Payments allocated to the County Communications Equipment; and

WHEREAS, the City and the County are authorized under the constitution and laws of the State of Nebraska to enter into this Sublease for the purposes set forth herein,

NOW, THEREFORE, for and in consideration of the premises hereinafter contained, the parties hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. For all purposes of this Sublease, except as elsewhere defined or otherwise provided or unless the context otherwise requires, words and terms used in this Sublease have the same meanings as set forth in the Lease.

“Authorized Representative” means the Chief Administrative Officer or the Deputy Administrative Officer of the County or any other person designated as an Authorized Representative by the Board of Commissioners of the County by a resolution filed with the Trustee.

“Communication Equipment” means the new electronic communication equipment and related software acquired by the City pursuant to the Lease.

“Contract” means one of any agreements between the City or the County and various parties, if any, providing for the acquisition and installation of various portions of the Communication Equipment.

“County Communication Equipment” means the portion of the Communication Equipment which will be leased to the County pursuant to this Sublease, as set forth on **Schedule 2**.

“First Supplemental Declaration” means the First Declaration of Trust Supplement, dated [Closing Date], 2012, made by the Trustee.

“First Supplemental Lease” means the First Lease Purchase Agreement Supplement, dated [Closing Date], 2012, between the Trustee and the City.

“Original Declaration” means the Declaration of Trust, dated November 18, 2010, executed and delivered by the Trustee, pursuant to which the Series 2010 Certificates were executed and delivered.

“Original Lease” means the Lease Purchase Agreement, dated November 18, 2010, between the Trustee, as lessor, and the City, as lessee, with respect to the 2010 Project.

“Project” means, collectively, the 2010 Project and the 2012 Project.

“2010 Project” means the Project Site, together with the remodeling, renovation, equipping and furnishing of the buildings and facilities thereon to the extent paid from the proceeds of the Series 2010 Certificates.

“2012 Project” means, collectively, (a) acquiring and installing the Street Lights, (b) acquiring, installing and implementing the Communication Equipment and (c) remodeling, renovating, equipping and furnishing additional portions of the 2010 Project.

“Series 2010 Certificates” means the \$7,780,000 original principal amount of Series 2010B Certificates of Participation as defined in the Declaration of Trust.

“Series 2012 Certificates” means the Series 2012 Certificates as defined in the First Supplemental Declaration.

“Street Lights” means the new street light poles and related equipment acquired from the proceeds of the Series 2012 Certificates to adequately light certain of the City’s streets.

“Sublease” means this Sublease Agreement, as the same may be amended and supplemented from time to time in accordance with its terms.

“Sublease Term” means the term of this Sublease beginning [Closing Date], 2012 and ending on May 1, 2016 unless earlier terminated in accordance with the provisions hereof.

Section 1.02. Rules of Construction. Words of the masculine gender will be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context will otherwise indicate, the words importing the singular number will include the plural and vice versa, and words importing person will include firms, associations and corporations, including public bodies, as well as natural persons.

The words “herein,” “hereby,” “hereunder,” “hereof,” “hereto,” “hereinbefore,” “hereinafter” and other equivalent words refer to this Sublease and not solely to the particular article, section, paragraph or subparagraph hereof in which such word is used.

Reference herein to a particular article, section, exhibit, schedule or appendix will be construed to be a reference to the specified article or section hereof or exhibit, schedule or appendix hereto unless the context or use clearly indicates another or different meaning or intent.

Whenever an item or items are listed after the words “including,” such listing is not intended to be a listing that excludes items not listed.

The section and article headings herein are for convenience only and in no way define, limit or describe the scope or intent of any of the provisions hereof.

Section 1.03. Execution of Counterparts. This Sublease may be executed simultaneously in two or more counterparts, each of which will be deemed to be an original, and all of which together will constitute but one and the same instrument.

Section 1.04. Severability. If any provision of this Sublease is held or deemed to be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances will not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable to any extent whatever.

The invalidity of any one or more phrases, sentences, clauses or sections in this Sublease contained will not affect the remaining portions of this Sublease, or any part thereof.

Section 1.05. Governing Law. This Sublease will be governed by and construed in accordance with the laws of the State.

ARTICLE II

REPRESENTATIONS

Section 2.01. Representations of the City. The City represents and warrants, as of the date of delivery hereof, as follows:

(a) The City is a city of the primary class duly created, organized and existing under and by virtue of the constitution and laws of the State with full power and authority to enter into this Sublease and the transaction contemplated thereby and hereby and to perform all of its obligations thereunder and hereunder.

(b) The City has full power and authority to enter into the transactions contemplated by this Sublease and has been duly authorized to execute and deliver this Sublease by proper action by its governing body. The Sublease is a valid, legal and binding obligation of the City enforceable in accordance with its terms except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws and equitable principles affecting creditor's rights generally. The City is authorized by Section 15-201.01, Reissue Revised Statutes of Nebraska, as amended, to enter into contracts for the purchase of real or personal property, which contracts need not be restricted to a single year and may provide for the purchase of such property in installment payments to be made over more than one fiscal year.

(c) The lease of the Communication Equipment by the Trustee to the City, as provided in the Lease, is necessary, desirable, advisable, in the public interest and consistent with the permissible scope of the City's authority. The City hereby declares its current need for the Communication Equipment and its current expectation that it will continue to need and use the Communication Equipment throughout the Lease Term.

(d) Neither the execution and delivery of the Sublease, nor the fulfillment of or compliance with the terms and conditions thereof or hereof, nor the consummation of the transactions contemplated thereby or hereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the City is a party or by which the City is bound.

(e) There is no proceeding pending or threatened in any court or before any governmental authority or arbitration board or tribunal challenging the validity of the proceedings of the governing body

of the City authorizing the Sublease or the power or authority of the City to enter into the Sublease or the validity or enforceability of the Sublease or that, if adversely determined, would adversely affect the transactions contemplated by the Sublease.

(f) The City has not made, done, executed or suffered, and warrants that it will not make, do, execute or suffer, any act or thing whereby the City's interests in any property now or hereafter included in the Project will be or may be impaired, changed or encumbered in any manner whatsoever, except as contemplated by the Site Lease and the Lease.

(g) No event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, an Event of Default exists.

(h) Upon acquisition and installation, the Communications Equipment will be suitable for its intended purposes and in compliance with all applicable requirements.

(i) The City has complied or will comply with any public bidding requirements that may be applicable to the Lease and the acquisition and installation of the Communications Equipment.

Section 2.02. Representations of the County. The County represents and warrants, as of the date of delivery hereof, as follows:

(a) The County is a county duly created, organized and existing under and by virtue of the constitution and laws of the State, including, without limitation, Section 22- 155, Reissue Revised Statutes of Nebraska, as amended, with full power and authority to enter into this Sublease and the transaction contemplated thereby and hereby and to perform all of its obligations thereunder and hereunder.

(b) The County has full power and authority to enter into the transactions contemplated by this Sublease and has been duly authorized to execute and deliver this Sublease by proper action by its governing body. The Sublease is a valid, legal and binding obligation of the County enforceable in accordance with its terms except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws and equitable principles affecting creditor's rights generally. The County is authorized by Section 23-3114, Reissue Revised Statutes of Nebraska, as amended, to enter into contracts for the purchase of real or personal property, which contracts need not be restricted to a single year and may provide for the purchase of such property in installment payments to be made over more than one fiscal year.

(c) The lease of the County Communication Equipment by the City to the County, as provided herein, is necessary, desirable, advisable, in the public interest and consistent with the permissible scope of the County's authority. The County hereby declares its current need for the County Communication Equipment and its current expectation that it will continue to need and use the County Communication equipment throughout the Lease Term.

(d) Neither the execution and delivery of the Sublease, nor the fulfillment of or compliance with the terms and conditions thereof or hereof, nor the consummation of the transactions contemplated hereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the County is a party or by which the County is bound.

(e) There is no proceeding pending or threatened in any court or before any governmental authority or arbitration board or tribunal challenging the validity of the proceedings of the governing body of the County authorizing the Sublease or the power or authority of the County to enter into the Sublease

or the validity or enforceability of the Sublease or that, if adversely determined, would adversely affect the transactions contemplated by the Sublease.

(f) The County has not made, done, executed or suffered, and warrants that it will not make, do, execute or suffer, any act or thing whereby the County's interests in any property now or hereafter included in the County Communication Equipment will be or may be impaired, changed or encumbered in any manner whatsoever, except as contemplated by the Sublease.

(g) No event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, an Event of Default exists.

(h) Upon acquisition, the County Communication Equipment will be suitable for its intended purposes and in compliance with all applicable requirements.

(i) The County has complied or will comply with any public bidding requirements that may be applicable to the Sublease and the acquisition and installation of the County Communication Equipment.

ARTICLE III

DEMISING OF THE PROPERTY; SUBLEASE TERM

Section 3.01. Lease of County Communication Equipment. The City hereby demises, leases, subleases and lets to the County, and the County rents, leases, subleases and hires from the City, the County Communication Equipment in accordance with this Sublease for the Sublease Term.

Section 3.02. Sublease Term. The term of this Sublease begins [Closing Date], 2012 and ends on May 1, 2016, unless earlier terminated in accordance with the provisions hereof.

Section 3.03. Enjoyment of County Communication Equipment . The City will provide the County during the Sublease Term with quiet use and enjoyment of the County Communication Equipment, and the County will, during the Sublease Term, peaceably and quietly have, hold and enjoy the County Communication Equipment, without suit, trouble or hindrance from the City, except as expressly set forth in this Sublease. The County will have the right to use the County Communication Equipment for any essential governmental or proprietary purpose of the County, subject to the limitations contained in this Sublease.

The County will comply with all statutes, laws, ordinances, orders, judgments, decrees, regulations, directions and requirements of all federal, state, local and other governments or governmental authorities, now or hereafter applicable to the County Communication Equipment, as to the manner and use or the condition of the County Communication Equipment. The County will also comply with the mandatory requirements, rules and regulations of all insurers under the policies required to be carried by the provisions of **Article VII**. The County will pay all costs, expenses, claims, fines, penalties and damages that may in any manner arise out of, or be imposed as a result of, the failure of the County to comply with the provisions of this Section. Notwithstanding any provision contained in this Section, however, the County will have the right, at its own cost and expense, to contest or review by legal or other appropriate procedures the validity or legality of any such governmental statute, law, ordinance, order, judgment, decree, regulation, direction or requirement, or any such requirement, rule or regulation of an insurer and during such contest or review, the County may refrain from complying therewith, if the County furnishes, on request, to the City, at the County's expense, indemnity satisfactory to the City.

Section 3.04. Inspection. The City will have the right at all reasonable times and with reasonable notice during business hours to enter into and upon the property on which the County Communication Equipment is located for the purpose of inspecting the County Communication Equipment.

ARTICLE IV

RENT

Section 4.01. Basic Rent. The County will promptly pay all Basic Rent in lawful money of the United States of America on each Basic Rent Payment Date in such amounts as are described on **Exhibit A**. A portion of each Basic Rent Payment is paid as, and represents payment of, interest as set forth on **Exhibit A** (such interest to be attributable to the various principal components in accordance with the per annum rates set forth on **Exhibit A**).

To provide for the timely payment of Basic Rent, the County will pay to the City for deposit in the Lease Revenue Fund held by the Trustee not less than five Business Days before each Basic Rent Payment Date, the amount due on such Basic Rent Payment Date.

The County will, in accordance with the requirements of law and its normal budgeting procedures, fully budget and appropriate sufficient funds to make the Rent Payments scheduled to come due during the Sublease Term, and to meet its other obligations for the Sublease Term, and such funds will not be expended for other purposes.

Section 4.02. Supplemental Rent. The County will pay as Supplemental Rent (a) all Impositions (defined in **Article VI**); (b) all amounts required under **Sections 4.03** or **4.04** and all other payments of whatever nature that the County has agreed to pay or assume under this Sublease; (c) all expenses, including attorneys' fees and expenses to the extent permitted by law, incurred in connection with the enforcement of any rights under this Sublease by the County; (d) all fees, charges and expenses of the City as further provided in **Section 4.05**; and (e) any payments properly allocated to the County in accordance with the Tax Agreement. Amounts required to be paid under this Section will be paid directly to the person or entity owed.

Section 4.03. Advances. In the event the County will fail to either maintain the insurance required by this Sublease or keep the County Communication Equipment in good repair, the City may, but will be under no obligation to, purchase the required insurance and pay the cost of the premiums therefor and maintain and repair the County Communication Equipment and pay the cost thereof. All amounts so advanced by the City will constitute Supplemental Rent, and the County covenants and agrees to pay such amounts so advanced by the City with interest thereon from the due date until paid at a rate per annum equal to the prime rate of the Trustee plus 2% or the maximum amount permitted by law, whichever is less.

Section 4.04. Credit Against Basic Rent Payment Obligation. The County will receive credit against its obligation to pay the Interest Portion or Principal Portion of Basic Rent to the extent moneys are on deposit in the Lease Revenue Fund and are available to pay the portion of the Interest Portion or the Principal Portion of Basic Rent represented by the Certificates allocable to the County Communication Equipment.

Section 4.05. Net Lease. This Sublease is intended to be triple net to the City, subject to Section 4.04, and the obligations of the County to make payment of the Rent Payments and to perform and observe the other covenants and agreements contained herein will be absolute and unconditional in all events without abatement, diminution, deduction, setoff or defense, for any reason, including any failure of the County Communication Equipment to be acquired or installed, any defects, malfunctions, breakdowns or infirmities in the County Communication Equipment or any accident, condemnation or unforeseen circumstances.

Section 4.06. Obligations Unconditional. The obligations of the County under this Sublease to pay Rent during the Sublease Term on or before the date the same become due, and to perform all of its other obligations, covenants and agreements hereunder shall be absolute and unconditional, without notice or demand, and without abatement, deduction, set off, counterclaim, recoupment or defense or any right of termination or cancellation arising from any circumstance whatsoever, whether now existing or hereafter arising, and irrespective of whether the County Communication Equipment shall have been acquired or installed, or whether the City's title to the County Communication Equipment or to any part thereof is defective or nonexistent, and notwithstanding any damage to, loss, theft or destruction of the County Communication Equipment or any part thereof, any failure of consideration or frustration of commercial purpose, the taking by eminent domain of title to or of the right of temporary use of all or any part of the County Communication Equipment, legal curtailment of the County's use thereof, the eviction or constructive eviction of the County, any change in the tax or other laws of the United States of America, the State or any political subdivision thereof, any change in the City's legal organization or status, or any default of the City hereunder, and regardless of the invalidity of any portion of this Sublease, and the County hereby waives the provisions of any statute or other law now or hereafter in effect contrary to any of its obligations, covenants or agreements under this Sublease or which releases or purports to release the County therefrom.

Section 4.07. Compensation of the City . The County will, from time to time, upon the written request of the City, (a) pay to the City reasonable compensation for its services as agreed to by the County and the City from time to time (which compensation will not be limited by any provision of law in regard to the compensation of a city) and (b) reimburse the City for all reasonable advances and expenditures, including but not limited to, advances to and reasonable fees and expenses of independent appraisers, accountants, consultants, counsel, agents and attorneys or other experts employed by it in the exercise and performance of its powers and duties hereunder. Compensation under this Section (except the initial fee which is included in Costs of Issuance) is to be paid as Supplemental Rent as set forth in **Section 4.02.**

ARTICLE V

ACQUISITION AND INSTALLATION OF THE COUNTY COMMUNICATION EQUIPMENT

Section 5.01. Acquisition and Installation. The City and the County mutually represent, warrant, covenant and agree as follows:

(a) The City has entered into or will enter into Agreements providing for the acquisition and installation of the County Communication Equipment in accordance with the plans and specifications or will acquire and install the County Communication Equipment in accordance with the plans and specifications;

(b) The City and the County will cause the acquisition and installation of the County Communication Equipment to be completed with all reasonable dispatch in accordance with the applicable provisions of this Sublease;

(c) All contracts entered into or to be entered into by the City or the County relating to such work will be in accordance with all applicable requirements of the laws of the State and will have the performance bonds required by **Section 7.01(e)** of the Original Lease;

(d) The City and the County have obtained or will obtain all necessary or required permits, licenses, consents and approvals that are material for the purchase, acquisition, installation, operation and maintenance of the County Communication Equipment and will comply with all lawful requirements of any governmental body regarding the use or condition of the County Communication Equipment, whether existing or later enacted or foreseen or unforeseen or whether involving any change in governmental policy or requiring structural or other change to the County Communication Equipment and irrespective of the cost of so complying;

(e) The County will pay all fees, costs and expenses incurred in acquiring and installing the County Communication Equipment or, to the extent there is money in the Project Fund available therefor, will request the City to make such payments from the Project Fund in the manner provided by the Original Lease and the Original Declaration; and

(f) The County and the City will ask, demand, sue for and use its best efforts to recover and receive such sums of money, debts or other demand to which it may be entitled under any contract, order, receipt, guaranty, warranty, writing or instruction in connection with the purchase, acquisition and installation of the County Communication Equipment, and it will use its best efforts, to the extent economically reasonable, to enforce the provisions of any contract, agreement, obligation, bond or other security in connection therewith, and any such amounts received in connection with the foregoing, after deduction of expenses incurred in recovering such amounts, will be paid to the Trustee for deposit in the Project Fund if the Completion Date has not occurred or for deposit in the Lease Revenue Fund Account if the Completion Date has occurred.

If the purchase and installation of the County Communication Equipment or any portion thereof is delayed or fails to occur for any reason, there will be no diminution in or postponement of the payments to be made by the County hereunder.

Notwithstanding anything herein or in the Declaration of Trust to the contrary, during the Sublease Term, the City will not be deemed to exercise control over or be an operator or owner of the County Communication Equipment and will not be responsible or liable for the operation, use and maintenance of the County Communication Equipment.

Section 5.02. Payment for the County Communication Equipment. In compliance with **Section 6.04** of the Declaration of Trust, costs and expenses of every nature incurred in the acquisition or installation of the County Communication Equipment that qualify as Costs of the Project will be paid by the Trustee from the Project Fund upon receipt by the Trustee of a completed request of the City signed by the Authorized Representative of the City and approved by the County and containing the statements, representations and certifications set forth in the form of such request attached to the Declaration of Trust as **Exhibit B**.

In making disbursements for Costs of the Project, the Trustee will be entitled to conclusively rely upon each written requisition certificate executed by the Authorized Representative of the City without inquiry or investigation. It is understood that the Trustee will *not* make any inspections of the County

Communication Equipment nor any improvements thereto, make any provision to obtain completion bonds, mechanic's or materialmen's lien releases or otherwise supervise any phase of the acquisition or installation of the County Communication Equipment. The approval of each requisition certificate by the Authorized Representative of the City will constitute an irrevocable determination that all conditions precedent to the payment of the specified amounts from the Project Fund have been completed.

Section 5.03. Completion Date; Excess Funds. The Completion Date will be evidenced to City upon receipt by the City of a certificate signed by the Authorized Representative of the County (the "**Completion Certificate**") stating (a) the date on which the County Communication Equipment was substantially completed, (b) that all other facilities necessary in connection with the County Communication Equipment have been purchased, acquired and installed, (c) that the County Communication Equipment and such other facilities have been purchased, acquired, made and installed in accordance with the plans and specifications therefor and in conformance with all applicable zoning, planning, building, environmental and other similar governmental regulations, (d) that, except for Costs of the County Communication Equipment described in clause (e), all Costs of the County Communication Equipment have been paid, and (e) the amounts, if any, to be retained in the Project Fund for the payment of Costs of the County Communication Equipment, if any, not yet due or Costs of the County Communication Equipment whose liability the County or the City is contesting, and amounts that otherwise should be retained and the reasons they should be retained. The Completion Certificate may state that it is given without prejudice to any rights of the County or the City that then exist or may subsequently come into being against third parties. Any amounts remaining in the Project Fund that are not needed to pay any remaining Costs of the County Communication Equipment will be transferred by the Trustee without further authorization to the Lease Revenue Fund.

Section 5.04. Warranties. The City hereby assigns to the County for and during the Sublease Term, all of its interest in all warranties, guarantees or other contract rights against any architect, contractor, subcontractor or supplier, expressed or implied, issued on or applicable to the County Communication Equipment, and the City hereby authorizes the County to obtain the customary services furnished in connection with such warranties, guarantees or other contract rights at the County's expense. The County's sole remedy for the breach of such warranties, guarantees or other contract rights will be against any architect, contractor, subcontractor or supplier, and not against the City or the Trustee, nor will such matter have any effect whatsoever on the rights of the City or the Trustee with respect to this Sublease, including the right to receive full and timely Basic Rent Payments and Supplemental Rent Payments. The County expressly acknowledges that neither the City or the Trustee makes or has made any representation or warranty whatsoever as to the existence or availability of such warranties, guarantees or other contract rights of the manufacturer or supplier of any portion of the County Communication Equipment.

Section 5.05. DISCLAIMER OF WARRANTIES. THE CITY AND THE TRUSTEE MAKE NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION OR FITNESS FOR PARTICULAR PURPOSE OR FITNESS FOR USE OF THE COUNTY COMMUNICATION EQUIPMENT OR ANY PART THEREOF, OR WARRANTY WITH RESPECT THERETO. IN NO EVENT WILL THE CITY OR THE TRUSTEE BE LIABLE FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGE IN CONNECTION WITH OR ARISING OUT OF THIS SUBLEASE OR THE EXISTENCE, FURNISHING, FUNCTIONING OR THE COUNTY'S USE OF THE COUNTY COMMUNICATION EQUIPMENT OR ANY PART THEREOF.

Section 5.06. Deficiency of County Communication Equipment Fund. If the Project Fund is insufficient to pay fully all Costs of the County Communication Equipment and to complete fully the County Communication Equipment lien free, the County will pay, in cash, the full amount of any such

deficiency by making payments directly to the contractors and to the suppliers of materials and services as the same becomes due. Neither the City nor the Trustee is obligated to pay and neither will be responsible for any such deficiency, and the County will save the City and the Trustee whole and harmless from any obligation to pay such deficiency.

ARTICLE VI

IMPOSITIONS

Section 6.01. Impositions. The County will bear, pay and discharge, before the delinquency thereof, as Supplemental Rent, all taxes and assessments, general and special, if any, that may be lawfully taxed, charged, levied, assessed or imposed upon or against or be payable for or in respect of the County Communication Equipment, including any taxes and assessments not of the kind enumerated above to the extent that the same are lawfully made, levied or assessed in lieu of or in addition to taxes or assessments now customarily levied against real or personal property, and further including all water and sewer charges, assessments and other general governmental charges and impositions whatsoever, foreseen or unforeseen, that if not paid when due would impair the security of the City or encumber the County Communication Equipment (all of the foregoing being herein referred to as “**Impositions**”).

Section 6.02. Contest of Impositions. The County will have the right, in its own name or in the name of the City or The Trustee, to contest the validity or amount of any Imposition that the County is required to bear, pay and discharge pursuant to the terms of this Article by appropriate legal proceedings instituted at least ten days before the contested Imposition becomes delinquent and may permit the Imposition so contested to remain unpaid during the period of such contest and any appeal therefrom unless the City notifies the County and the Trustee that, in the Opinion of Counsel, by nonpayment of any such items the interest of the City or the Trustee in the County Communication Equipment will be endangered or the County Communication Equipment or any part thereof will be subject to loss or forfeiture, in which event the County will promptly pay such taxes, assessments or charges or provide the City and the Trustee with full security against any loss that may result from nonpayment in form satisfactory to the City and the Trustee. The City agrees to cooperate with the County in connection with any and all administrative or judicial proceedings related to Impositions. The County will hold the City and the Trustee whole and harmless from any costs and expenses either the City or the Trustee may incur with respect to any Imposition.

ARTICLE VII

INSURANCE; INDEMNITY

Section 7.01. Insurance Required. The County will, during the Sublease Term, cause the County Communication Equipment to be kept continuously insured against such risks customarily insured against for facilities such as the County Communication Equipment and will pay (except as otherwise provided herein), as the same become due, all premiums in respect thereof, such insurance to include the following policies of insurance:

(a) Insurance insuring the County Communication Equipment against loss or damage by fire, lightning and all other risks covered by the extended coverage insurance endorsement then in use in the State in an amount not less than the Principal Portion of the Certificates then Outstanding allocable to the County Communication Equipment and issued by such insurance company or companies authorized to do business in the State as may be selected by the County. The policy or policies of such insurance will

name the County, the City and the Trustee as insureds, as their respective interests may appear. All proceeds from such policies of insurance will be applied as provided in **Article IX**.

(b) Comprehensive general accident and public liability insurance (including coverage for all losses whatsoever arising from the ownership, maintenance, operation or use of any automobile, truck or other motor vehicle), under which the City and the County are named as insureds, in an amount not less than \$500,000 combined single limit for bodily injuries and property damage.

(c) Workers' compensation and unemployment coverages to the extent, if any, required by the laws of the State.

(d) Performance and labor and material payment bonds with respect to the Contracts in the full amount of the Contracts from surety companies qualified to do business in the State.

Not less than 15 days prior to the expiration dates of the expiring policies, originals or copies of the policies required by this **Section 7.01** or certificates evidencing such insurance will be delivered by the County to the City. All policies of such insurance, and all renewals thereof, will contain a provision that such insurance may not be cancelled by the issuer thereof without at least 30 days' written notice to the County and the City. Not less than annually, the County will provide a current certificate evidencing that the County is in compliance with the requirements of this Section to the City.

Nothing in this Sublease will be construed as preventing the County from satisfying the insurance requirements herein set forth by using blanket policies of insurance or self-insurance provided each and all of the requirements and specifications of this Sublease respecting insurance are complied with.

The County may elect to be self-insured for all or any part of the foregoing requirements of this **Section 7.01** if (i) the County annually obtains a written evaluation with respect to such self-insurance program from an individual or firm selected by the County and acceptable to the City qualified to survey risks and to recommend insurance coverage for entities engaged in operations similar to those of the County and having a favorable reputation for skill and experience in making such surveys and recommendations (an **"Insurance Consultant"**), (ii) the evaluation is to the effect that the self-insurance program is sound, (iii) unless the evaluation states that such reserves are not necessary, the County maintains adequate reserves for the self-insurance program, and (iv) in the case of workers' compensation, adequate reserves created by the County for such self-insurance program are maintained in such amount and manner as are acceptable to the State. The County will pay any fees and expenses of such Insurance Consultant in connection therewith.

Section 7.02. Enforcement of Contract and Surety Bonds. In the event of material default of any contractor or subcontractor under a Contract or any other contract made in connection with the acquisition and installation of the County Communication Equipment, or in the event of a material breach of warranty with respect to any materials, workmanship or performance, the County will promptly proceed, either separately or in conjunction with others, to pursue diligently the remedies of the County against the contractor or subcontractor in default and against each surety on a bond securing the performance of such contract. Any amounts recovered by way of damages, refunds, adjustments or otherwise in connection with the foregoing, after deduction of expenses incurred in such recovery and after reimbursement to the County of any amounts theretofore paid by the County not previously reimbursed to the County for correction or remedying of the default that gave rise to the proceedings against the contractor or subcontractor or surety, will be paid to the Trustee for deposit in the Project Fund if received before the Completion Date and, if such funds are received after the Completion Date, for deposit in the Lease Revenue Fund to be used solely for the purpose of paying Basic Rent under this Sublease.

Section 7.03. Release and Indemnification. To the extent permitted by law, the County will indemnify, protect, hold harmless, save and keep the City and the Trustee harmless from and against any and all liability, obligation, loss, claim, tax (other than income taxes or other taxes on or attributable to Rent Payments, if any, that are received by the Trustee in its individual capacity) and damage whatsoever and all expenses in connection therewith (including, without limitation, attorneys' fees and expenses) that are not caused by the gross negligence or willful misconduct of the City or the Trustee, any of their respective agents, directors, attorneys or employees arising out of or as the result of (a) the entering into of this Sublease or the Declaration of Trust, (b) the acquisition and installation of the County Communication Equipment, (c) injury, actual or claimed, of whatsoever kind or character, to property or persons, occurring or allegedly occurring in, on or about the County Communication Equipment during the Sublease Term, and/or (d) the breach of any covenant by the County herein or any material misrepresentation by the County contained herein; provided that the County will have the right to conduct the defense of the City or the Trustee through counsel designated by the County and approved by the City or the Trustee, as the case may be, which approval will not be unreasonably withheld and, provided further, that City and the Trustee will each be entitled to retain separate counsel, at the expense of the County, should counsel selected by the County fail to actively and competently pursue a defense. The indemnification arising under this Section will continue in full force and effect notwithstanding the full payment of all obligations under this Sublease or the termination of this Sublease or the Declaration of Trust for any reason.

ARTICLE VIII

COVENANTS OF THE COUNTY

Section 8.01. Maintenance and Modification of County Communication Equipment by the County. The County will at its own expense (a) keep the County Communication Equipment in a safe condition, (b) with respect to the County Communication Equipment, comply with all applicable health and safety standards and all other industrial requirements or restrictions enacted or promulgated by the State, or any political subdivision or agency thereof, or by the government of the United States of America or any agency thereof, and (c) keep the County Communication Equipment in good repair and in good operating condition and make from time to time all necessary repairs thereto and renewals and replacements thereof; provided, however, that the County will have no obligation to operate, maintain, preserve, repair, replace or renew any element or unit of the County Communication Equipment the maintenance, repair, replacement or renewal of which becomes uneconomical to the County because of damage, destruction or obsolescence, or change in economic or business conditions, or change in government standards and regulations. The County will not permit or suffer others to commit a nuisance in connection with its use or occupancy of the County Communication Equipment or itself commit a nuisance in connection with its use or occupancy of the County Communication Equipment. The County will pay all costs and expenses of operation of the County Communication Equipment.

The County may, also at its own expense, make from time to time any additions, modifications or improvements to the County Communication Equipment that it may deem desirable for its business purposes and that do not materially impair the structural strength or effective use, or materially decrease the value, of the County Communication Equipment. All additions, modifications or improvements made by the County pursuant to the authority of this Section will (a) be made in a workmanlike manner and in strict compliance with all laws and ordinances applicable thereto, (b) when commenced, be pursued to completion with due diligence and (c) when completed, be deemed a part of the County Communication Equipment.

During the Sublease Term, the County Communication Equipment will be used by the County only for the purpose of performing essential governmental or proprietary functions of the County consistent with the permissible scope of the County's authority.

Section 8.02. Tax Covenants. The County covenants and agrees that (a) it will comply with the provisions of the Tax Agreement and with all applicable provisions of the Code, including Sections 103 and 141 through 150, necessary to maintain the exclusion from gross income for federal income tax purposes of the Interest Portion of the Basic Rent and (b) it will not use or permit the use of any proceeds of Certificates or any other funds of the County nor take or permit any other action, or fail to take any action, if any such action or failure to take action would adversely affect the exclusion from gross income for federal income tax purposes of the Interest Portion of the Basic Rent. The County will, in addition, adopt such other ordinances or resolutions and take such other actions as may be necessary to comply with the Code and with all other applicable future laws, regulations, published rulings and judicial decisions, in order to ensure that the Interest Portion of the Basic Rent will remain excluded from gross income for federal income tax purposes, to the extent any such actions can be taken by the County.

Section 8.03. The County's Continuing Existence. The County will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as a political subdivision of the State.

ARTICLE IX

CASUALTY AND CONDEMNATION

Section 9.01. Damage, Destruction and Condemnation. The County will bear the risk of loss with respect to the County Communication Equipment during the Sublease Term. If (a) the County Communication Equipment or any portion thereof is destroyed, in whole or in part, or is damaged by fire or other casualty or (b) title to, or the temporary use of, the County Communication Equipment or any part thereof will be nonexistent or deficient or taken under the exercise or threat of the power of eminent domain by any governmental body or by any person, firm or corporation acting pursuant to governmental authority, the County will cause the Net Proceeds of any insurance claim, condemnation award or sale under threat of condemnation to be applied to the prompt replacement, repair, restoration, modification or improvement of the County Communication Equipment, unless the County has exercised its option to purchase the County's interest in the County Communication Equipment by making payment of the Purchase Price as provided herein. Any balance of the Net Proceeds remaining after such work has been completed will be paid to the County and will be held and appropriated by the County for the exclusive purpose of paying Rent under this Sublease.

If the County determines that the repair, restoration, modification or improvement of the County Communication Equipment is not economically feasible or in the best interest of the County, then, in lieu of making such repair, restoration, modification or improvement and if permitted by law, the County will promptly purchase the County's interest in the County Communication Equipment pursuant to **Section 10.01(c)** by paying the Purchase Price. The Net Proceeds will be applied by the County to payment of the Purchase Price. Any balance of the Net Proceeds remaining after paying the Purchase Price will belong to the County.

Section 9.02. Insufficiency of Net Proceeds. If the Net Proceeds are insufficient to pay in full the cost of any repair, restoration, modification or improvement referred to in **Section 9.01** and the County has not elected to purchase the County's interest in the County Communication Equipment pursuant to **Section 10.01(c)**, the County will complete such replacement, repair, restoration, modification

or improvement and pay any costs thereof in excess of the amount of the Net Proceeds and, if the County makes any payments pursuant to this Section, the County will not be entitled to any reimbursement therefor from the City or the Trustee nor will the County be entitled to any diminution of Rent.

ARTICLE X

OPTION TO PURCHASE; PARTIAL PREPAYMENT

Section 10.01. Purchase Option. The County will have the option to purchase the City's interest in the County Communication Equipment, upon giving written notice to the City at least 30 days before the date of purchase, at any time upon the deposit of moneys or Government Obligations or both with the Trustee in accordance with **Article X** of the Declaration of Trust in the amount necessary to provide for the Basic Rent Payments due hereunder through and included May 1, 2016.

Section 10.02. Partial Prepayment. The County will have the option to prepay the Basic Rent Payments in part, upon giving written notice to the City and the Trustee at least 30 days before the date of such prepayment, at any time at the Prepayment Price equal to the Principal Portion of Basic Rent being so prepaid plus the Interest Portion of Basic Rent accrued thereon to May 1, 2016 such Basic Rent Payment Date.

The Principal Portion of Basic Rent prepaid pursuant to the provisions of this **Section 10.02** will be in integral multiples of \$5,000 and will be credited against such Basic Rent Payments as shall be determined by the Trustee in its sole and absolute discretion. Upon any partial prepayment, the amount of each Interest Portion of Basic Rent coming due thereafter will be reduced by the amount of such Interest Portion attributable to such prepaid Principal Portion determined by applying the annual interest rate corresponding to such prepaid Principal Portion as shown on **Exhibit A**.

Section 10.03. Determination of Fair Rent and Purchase Price. The County hereby agrees and determines that the Rent hereunder during the Sublease Term represents the fair value of the use of the County Communication Equipment and that the Purchase Price required to exercise the County's option to purchase the County's interest in the County Communication Equipment pursuant to **Section 10.01** represents, as of the end of the Sublease Term, the fair Purchase Price of the County Communication Equipment. The County hereby determines that the Rent does not exceed a reasonable amount so as to place the County under an economic practical compulsion to exercise its option to purchase the County Communication Equipment hereunder. In making such determinations, the County has given consideration to the Costs of the County Communication Equipment, the uses and purposes for which the County Communication Equipment will be employed by the County, the benefit to the County by reason of the acquisition and installation of the County Communication Equipment and the use and occupancy of the County Communication Equipment pursuant to the terms and provisions of this Sublease and the County's option to purchase the County Communication Equipment. The County hereby determines and declares that the acquisition and installation of the County Communication Equipment and the leasing of the County Communication Equipment pursuant to this Sublease will result in County Communication Equipment of comparable quality and meeting the same requirements and standards as would be necessary if the acquisition and installation of the County Communication Equipment were performed by the County other than pursuant to this Sublease. The County hereby determines and declares that the Sublease Term does not exceed the useful life of the County Communication Equipment.

Section 10.04. Conveyance of Title. The City hereby agrees to convey, title to the County Communication Equipment, or an appropriate portion thereof, in consideration of the purchase price as

set forth in **Section 10.01**, at the expiration of the Sublease Term following full payment of the Rent or provision for payment thereof having been made in accordance with the provisions of **Article X** of the Declaration of Trust and full payment of all Supplemental Rent.

ARTICLE XI

ASSIGNMENT

Section 11.01. Assignment and Subleasing by the City. Except as hereinafter expressly provided, none of the County's right, title and interest in, to and under this Sublease and in the County Communication Equipment may be assigned or encumbered by the County for any reason; except that the County may sublease any one or more parts of the County Communication Equipment if the County obtains an Opinion of Special Tax Counsel that such subleasing will not adversely affect the exclusion of the Interest Portion of the Basic Rent Payments from gross income for purposes of federal income taxation. Any such sublease of all or part of the County Communication Equipment will be subject to the Site Lease, the Lease, this Sublease and the rights of the City in, to and under the Site Lease, the Lease, this Sublease and the County Communication Equipment.

ARTICLE XII

EVENTS OF DEFAULT

Section 12.01. Events of Default Defined. Any of the following will constitute an "Event of Default" under this Sublease:

(a) Failure by the County to make any deposits required by **Section 4.01** to pay Basic Rent in the Lease Revenue Fund at the time specified herein;

(b) Failure by the County to make any Supplemental Rent Payment when due and the continuance of such failure for ten days after written notice specifying such failure and requesting that it be remedied is given to the County by the City or the Trustee;

(c) Failure by the County to observe and perform any covenant, condition or agreement on its part to be observed or performed hereunder, other than as referred to in **Sections 12.01(a)** or **(b)** above, for a period of 30 days after written notice specifying such failure and requesting that it be remedied is given to the County by the City or the Trustee, unless the City and the Trustee agree in writing to an extension of such time prior to its expiration; provided that, if the failure stated in the notice cannot be corrected within the applicable period, neither the City nor the Trustee will unreasonably withhold its consent to an extension of such time if corrective action is instituted by the County within the applicable period and diligently pursued until the default is corrected;

(d) Any statement, representation or warranty made by the County in or pursuant to this Sublease or its execution, delivery or performance proves to have been false, incorrect, misleading or breached in any material respect on the date when made;

(e) Any provision of this Sublease at any time for any reason ceases to be valid and binding on the County, or is declared null and void, or the validity or enforceability thereof is contested by the County or any governmental agency or authority if the loss of such provision would materially adversely affect the rights or security of the County; or

(f) The County becomes insolvent or admits in writing its inability to pay its debts as they mature or applies for, consents to, or acquiesces in the appointment of a trustee, receiver or custodian for the County or a substantial part of its property; or in the absence of such application, consent or acquiescence, a trustee, receiver or custodian for the County or a substantial part of its property; or in the absence of such application, consent or acquiescence, a trustee, receiver or custodian is appointed by the County for a substantial part of its property and is not discharged within 60 days; or any bankruptcy, reorganization, debt arrangement, moratorium or any proceeding under bankruptcy or insolvency law, or any dissolution or liquidation proceeding, is instituted by or against the State and, if instituted against the County, is consented to or acquiesced in by the County or is not dismissed within 60 days.

Failure of the County fails to comply with the Continuing Disclosure Certificate will not be an Event of Default under this Sublease.

Section 12.02. Remedies on Default. Whenever any Event of Default exists, the City and the Trustee will have the right, without any further demand or notice, to take one or any combination of the following remedial steps:

(a) By written notice to the County, the City or the Trustee may declare all Rent payable by the County hereunder to the end of the Sublease Term to be due;

(b) With or without terminating this Sublease, the City may take possession of the County Communication Equipment (in which event the County will take all actions necessary to authorize, execute and deliver to the City for the remainder of the City's leasehold term all documents necessary to vest in the City for the remainder of the City's leasehold term under the Site Lease all of the City's interest in the County Communication Equipment), and sell the County's interest in the County Communication Equipment or lease the County Communication Equipment or, for the account of the County, sublease the County Communication Equipment continuing to hold the County liable for the difference between (i) the Rent payable by the County hereunder for the Sublease Term, and (ii) the net proceeds of any such sale, leasing or subleasing (after deducting all expenses of the City or the Trustee in exercising its remedies under this Sublease, including without limitation all expenses of taking possession, removing, storing, reconditioning, and selling or leasing or subleasing the County Communication Equipment and all brokerage, auctioneers and attorneys' fees and expenses);

(c) The City or the Trustee may terminate any rights the County may have in any moneys held by the City or the Trustee under the Declaration of Trust; and

(d) The City or the Trustee may take whatever action at law or in equity necessary or desirable to enforce its respective rights in the County Communication Equipment and under this Sublease.

Section 12.03. No Remedy Exclusive. No remedy herein conferred upon or reserved to the City or the Trustee is intended to be exclusive and every such remedy will be cumulative and will be in addition to every other remedy given under this Sublease now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default will impair any such right or power or will be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the City and the Trustee to exercise any remedy reserved to either of them in this Article it will not be necessary to give any notice, other than such notice as may be required in this Article.

ARTICLE XIII

MISCELLANEOUS

Section 13.01. Notices. All notices, certificates or other communications to be given or to be served upon any party in connection with this Sublease will be given in accordance with **Section 12.03** of the Original Declaration.

Section 13.02. Title to Personal Property. Title to any portion of the County Communication Equipment that constitutes personal property will vest in the County subject to the rights of the City and the Trustee under this Sublease and the Site Lease; provided that title thereto will thereafter immediately and without any action by the City or the Trustee vest in County and the County will immediately surrender possession thereof to City upon (a) any termination of this Sublease without the County exercising its option to purchase pursuant to **Section 10.01** or (b) the occurrence of an Event of Default. It is the intent of the parties hereto that any transfer of title to City pursuant to this Section will occur automatically without the necessity of any deed, bill of sale, certificate of title or other instrument of conveyance. Nevertheless, the County will execute and deliver any such instruments as the City may request to evidence such transfer.

Section 13.03. Security Interest. The City and the County agree that the County Communication Equipment is and will remain personal property. The County Communication Equipment will not be deemed to be affixed to or a part of the real estate on or under which it may be situated, notwithstanding that the County Communication Equipment or any part thereof may be or hereafter become in any manner physically affixed to, buried in or otherwise attached to such real estate or any building thereon. Upon the request of the City, the County will, at the County's expense, furnish a waiver of any interest in the County Communication Equipment from any party having an interest in any such real estate or building.

To secure the payment of all of the County's obligations under this Sublease, to the extent permitted by law, the City and the Trustee retain a security interest in the County Communication Equipment and on all additions, attachments, accessions thereto, substitutions therefor and on any proceeds therefrom. The County will execute all additional documents, including financing statements, affidavits, notices and similar instruments that are necessary or appropriate to establish and maintain such security interest. The County hereby authorizes the filing of financing statements under the Uniform Commercial Code in connection with any security interest granted hereunder.

Section 13.04. Binding Effect. This Sublease will inure to the benefit of and will be binding upon the City and the County and their respective successors and assigns.

Section 13.05. Amendments, Changes and Modifications. This Sublease may not be effectively amended, changed, modified, altered or supplemented except with the written consent of the Trustee, the City and the County and as provided in the Declaration of Trust.

Section 13.06. Electronic Transactions. The parties agree that the transaction described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents will be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

[The remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the City and the City have caused this Sublease to be executed in their names by their duly authorized representatives the date first above written.

THE CITY OF LINCOLN, NEBRASKA

(SEAL)

By: _____
Mayor

ATTEST:

By: _____
Clerk

ACKNOWLEDGMENT

STATE OF NEBRASKA)
) SS.
COUNTY OF LANCASTER)

The foregoing instrument was acknowledged before me this _____ day of September, 2012 by Christopher J. Beutler, Mayor of The City of Lincoln, Nebraska.

Notary Public

(SEAL)

THE COUNTY OF LANCASTER, NEBRASKA

(SEAL)

By: Deb Schorr
Chair

ATTEST:

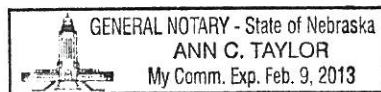
By: Court. Beattie, Deputy
Clerk

ACKNOWLEDGMENT

STATE OF NEBRASKA)
) SS.
COUNTY OF LANCASTER)

The foregoing instrument was acknowledged before me this 28 day of ^{August}~~September~~, 2012 by Deb Schorr, Chair of the Board of Commissioners of The County of Lancaster, Nebraska.

(SEAL)



Ann C. Taylor
Notary Public

SCHEDULE 1

TO LEASE PURCHASE AGREEMENT DATED [Closing Date], 2012, BETWEEN THE CITY OF LINCOLN, NEBRASKA, AND UNION BANK AND TRUST COMPANY, TO SITE LEASE DATED [Closing Date], 2012, BETWEEN THE CITY OF LINCOLN, NEBRASKA AND UNION BANK AND TRUST COMPANY, TO LEASE PURCHASE AGREEMENT DATED [Closing Date], 2012, BETWEEN UNION BANK AND TRUST COMPANY AND THE CITY OF LINCOLN, NEBRASKA, AND TO DECLARATION OF TRUST DATED [Closing Date], 2012 BY UNION BANK AND TRUST COMPANY.

THE PROJECT SITE

**Lots 4, 5, 6, 7, 8, 9, and 10, Block 4 and Lot 9, Block 7, Union Pacific Addition
Lincoln, Lancaster County, Nebraska**

SCHEDULE 2

**TO SUBLEASE AGREEMENT DATED [Closing Date], 2012, BETWEEN THE
CITY OF LINCOLN, NEBRASKA, AND THE COUNTY OF LANCASTER,
NEBRASKA**

COUNTY COMMUNICATION EQUIPMENT

EXHIBIT A

TO SUBLEASE AGREEMENT DATED [Closing Date], 2012, BETWEEN THE CITY
OF LINCOLN, NEBRASKA, AND THE COUNTY OF LANCASTER, NEBRASKA

COUNTY COMMUNICATION EQUIPMENT SCHEDULE OF BASIC RENT PAYMENTS

<u>Lease Payment Date</u>	<u>Principal Installment Due</u>	<u>Interest Installment Due</u>	<u>Total Amount Due</u>
May 1, 2013	,000.00		
November 1, 2013	0.00		
May 1, 2014	,000.00		
November 1, 2014	0.00		
May 1, 2015	,000.00		
November 1, 2015	0.00		
May 1, 2016	,000.00		
TOTAL	\$ _____.00		